

Talking Points for: Jayantilal M. Karia
AFICS Assembly 27 June 2017

Health Insurance

I am Jay Karia and it is a privilege to serve you in the AFICS Governing Board and as one of the Vice-Presidents together with Debbi Landey.

-ASHI is of enormous importance to all current and future retirees. As UN medical insurance plans are self-insured, premiums are set based on projected claims experience from 1 July to 30 June based on experience of the previous year. Accordingly, we all have a collective responsibility to ensure that medical costs are kept at a minimum while ensuring that everyone gets proper health care through insurance plans that they have chosen. While representatives of the Insurance and Disbursement service will be providing more details on the use of insurance plans, I want to mention a couple of things on our individual responsibilities that we all have:

- Do not use Emergency room facilities at hospitals for routine non-emergency types of medical conditions. For such services, first of all you have to pay a co-payment of \$75 and the average bill from the hospitals runs over \$850. It is better to use the many Urgent care facilities available all over New York and various other parts of the country. Of course for any real emergencies, you should seek treatment at the closest medical facility.

- Use In-Network providers: Everyone should try to use in-network providers as the costs for services rendered have been pre-negotiated by insurance plan providers and are significantly lower than out of network providers. Sometimes participants have to pay higher deductibles and out of pocket charges. This is specially the case with physical therapy and medical massage claims with out of network providers which average around \$400 while in-network cost is just a little bit over \$100.
- Review the claim settlement documents provided by the plan providers to ensure that the charges for medical treatment are for the actual services provided to you. Unfortunately sometimes there are mistakes and at times unnecessary charges claimed from insurance.

AFICS has 2 representatives in the Health and Life Insurance committee (HLIC), represented by Frank Eppert and myself. We have attended over 12 meetings during the past year where we have actively participated in review of cases of staff and retirees who request exceptional consideration of medical payments which may not be fully covered by the Health insurance plan they are enrolled with. We ensure that all cases are treated in a fair manner.

We also actively participate in the review of plan experience and costs incurred during the plan year based on which HLIC recommends the premium level for the next period. We recently finished the review of all plans for the new period which will take effect from 1 July 2017. During this review as AFICS representatives, we have ensured that

premium increases are kept at a minimum with little or no change in the benefits covered which you will hear about shortly from the insurance service representatives.

-With the transfer to Medicare at 65 for US retirees or green card holders as their primary insurance, there is continuous need for proper guidance and assistance to retirees from the Insurance Service. While AFICS has tried its best to resolve individual issues faced by retirees with Medicare with the Insurance service, it was recognized by AFICS that there was an urgent need to appoint staff in the Insurance Service dedicated to support the retired staff. Based on proposal made by AFICS, HLIC recommended to finance these positions from significant savings accrued from UN's participation in Medicare Part B. In this respect, I am pleased to inform you that based on our discussions with Senior Management in the Secretariat, Controller has now approved the two positions and Insurance Service is actively recruiting dedicated staff for service to ASHI participants. This will significantly improve the overall insurance services to the retirees.

Review of Direct payments for Medicare Part B

We have proposed possibility of having direct payments for Medicare Part B made by Secretariat. This will not only improve overall efficiencies but also avoid any participant from missing to make a payment. Administration is looking into this possibility which is expected to be finalized within 3 months..

ASHI WORKING GROUP

The General Assembly adopted resolution A/RES/71/271B which inter Alia extended the term of the ASHI Working Group through the 73rd session of the Assembly. Accordingly, the (interagency) Working Group has continued to meet by video conference to pursue its mandate on outstanding matters. During 2017 It has met four times where our FAFICS representative Mr. Warren Sach continues to actively participate. Topics under discussion include: collective negotiations with health care providers; national insurance schemes such as Medicare Part B; terms of reference for a Finance and Budget Network sponsored Insurance Group to cover all aspects of insurance (property, casualty etc) not just health care; and plan design and eligibility matters. Common positions on these are yet to be arrived at but FAFICS is urging caution with regards to national schemes including the need to take Medicare B experience into account. The absence of data on national schemes currently limits activity in this area as many member states have not responded to questionnaires on availability of national insurance schemes which may be available to UN retirees. As regards a common insurance group FAFICS position is for a dual structure to govern insurance matters with health Insurance under the HR network and other insurance matters under the FB network. FAFICS insists that ASHI matters cannot be handled solely as an FB matter but rather must reflect HR dimensions including entitlements and terms of service. It is anticipated that the ASHI Working Group will continue to meet, largely through video conferences, up until it completes its mandate for the 73rd session of the Assembly. FAFICS will continue to actively participate and monitor progress so the best interests of

retirees are protected. This includes ensuring that benefits are not diluted and retiree contributions are limited bearing in mind the levels contributed during active service. The WG is mandated to complete its work for the 73rd session and currently there are no plans to report to the 72nd session of the General Assembly.

I hope this has provided information on insurance matters that your AFICS and FAFICS representatives actively represent our collective interests.

The representatives of the Insurance Service will be providing further details on insurance matters.

For any individual issues, please contact them via email at ashi@un.org.